

VZCZCXYZ0003
RR RUEHWEB

DE RUEHME #2218/01 2001724
ZNY SSSSS ZZH (CCY PARA AD0B82D87 MSI4280 508)
R 181724Z JUL 08
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 2632

S E C R E T MEXICO 002218

CORRECTED COPY (PARA 2.NOTE ADDED, PARA 8&9. CHANGED)

NOFORN
SIPDIS

E.O. 12958: DECL: 07/14/2018
TAGS: PINR PARM PREL IS MX
SUBJECT: ISRAELI RELATIONS WITH MEXICO (C-NE8-00834)

REF: STATE 64659

Classified By: Pol MinCouns Charles V. Barclay. Reasons:
1.4 (b and d).

¶1. (C/NF) Poloff met separately with Enrique Palos, Deputy Director General for Africa and the Middle East at the Secretariat of Foreign Relations (SRE), and Lior Keinan, Political Counselor and Press and Cultural Attaché at the Israeli Embassy in Mexico City, on July 3 and 8, respectively, to discuss Israeli-Mexican relations. The following responses are organized according to the most important questions in reftel for Mexico.

¶2. (C/NF) Current State of Political, Military and Economic Relations

-- Palos characterized relations between Mexico and Israel as excellent and broad with regular dialogue, mentioning that Israel was the top economic partner for Mexico in the Middle East. (Note: Mexico and Israel signed a free trade agreement in July 1, 2000 after two years of active negotiations. Trade between the two countries has increased by 271% since the signing of the agreement. Imports to Mexico from Israel were 441 million USD in 2007 while exports, of which nearly 75% are crude oil or hydrocarbon based minerals only reached 129.5 million USD. End note) Palos said that, given the trade imbalance between the two countries in favor of Israel, Mexican businesses should take more initiative to export to Israel under the Free Trade Agreement (FTA) between the two countries. Palos said that economic relations with Israel are independent of Israel's trade relationship with Mercosur. He said that Mexico supports a two-state solution with secure borders in the Middle East Peace Process (MEPP) between Israel and the Palestinian Territories.

-- Keinan commented that relations between Israel and Mexico are good but could be improved. He noted that Mexican trade with Israel was not only the largest in the Middle East, but larger than all of the other countries in the region combined. He said that Israel has benefited from the FTA with Mexico but hopes that, even though the imbalance favors Israel, Mexico can increase its exports. Keinan commented that it was too early to tell what effect the FTA with Mercosur might have on economic relations with Mexico. With so many Israeli companies doing business in Mexico, he thought that many also could increase business with the U.S. Politically, relations have improved under Calderon, including a Vice Foreign Minister visit recently to Mexico. He complained that Mexico votes almost automatically against Israel on human rights in Geneva and as such overall relations are better bilaterally than multilaterally. B

¶3. (C/NF) Key Areas of Cooperation, Mutual Interest and Tension

-- Palos noted a number of areas of cooperation between the

two countries, including technology, security and defense. He also alluded to the visit of the Israeli Philharmonic Orchestra to Mexico two months ago to celebrate the 60th anniversary of Israel as an example of strong cultural relations between the two countries. Palos commented that Mexico was an important country for Israel in the region.

-- Keinan said that promotion by Israel of further cooperation in commercial and cultural relations is a matter of budget availability. He mentioned that 40-50 Mexicans have gone to Israel in the past year for training, and Israeli experts visit Mexico on a regular basis to promote agricultural and security cooperation. Israel is interested in deepening trilateral cooperation with the Mexico and the U.S., suggesting Israel would like to find a way to complement Merida Initiative funding. He again cited tension with Mexico on its votes in the UN on the Palestinian Territories and Lebanon, even after Israel left Lebanon in 2000 and conveyed concern about the potential consequences of Mexico not being strong enough in opposing terrorism. He was pleased that Mexico participated in the MEPP meeting in Annapolis but believes its decision was driven by Brazil's participation and its desire to demonstrate regional leadership, not an intrinsic interest in the MEPP. Keinan described Mexico as on the same level of importance as Argentina and Brazil, especially in light of the large Jewish community in Mexico. He reiterated the positive impact that the FTA had on Israel and was impressed with the extent to which one could find expressions of Israeli culture -- including traditional dance and books on Israel -- in remote parts of Mexico, .

14. (C/NF) Extent of Cooperation on Hezbollah, Hamas and FARC

-- Palos commented that Mexico complies with its UN obligations as a member of the General Assembly, including Security Council resolutions, and respects international law. Unlike the case with Spanish terrorist organization, ETA, Mexico has not uncovered evidence of active members of Hezbollah or Hamas living in Mexico nor any evidence of these groups' involvement in terrorist activities in Mexico. (###)E-- Keinan said that Mexico has sent officials for training on the subject of counterterrorism to Israel. He said that Israel was concerned about efforts by the "militant" Iranian Ambassador to Mexico to open up new consulates in the country. Although Hezbollah influence is not that strong in Mexico with the majority of those from the Middle East being Christians from Lebanon and Syria, he commented that Iranian influence is on the rise in Nicaragua, which is not that far away. He cautioned that terrorists only need a few cells to mount an attack.

15. (C/NF) Cooperation with Israel to Limit Iran's Influence in the Region and its Nuclear Program

-- Palos said that Mexico maintains a respectful bilateral relationship with Iran but is concerned about its nuclear program. Mexico, he said, believes that Tehran needs to give all assurances that its nuclear intentions are peaceful that can be verified by the IAEA. He reminded Poloff that Mexico led the Tlatelolco negotiations for a nuclear-free Latin America.

-- Keinan said that Israel did not need to leverage any of its assistance or other parts of its relationship to get Mexico to act on a bilateral issue as there are no concrete problems of such magnitude. He remarked on Mexico's efforts to become a member of the UNSC next year and noted that it voted most of the time with the international community, often times against Israel.

16. (C/NF) Points of Agreement or Disagreement on the Middle East Peace Process (MEPP)

-- Palos said that, regarding the MEPP, Mexico will support whatever the two sides agree on. Mexico believes that negotiations are the only way to resolve the conflict, supports the UN, and condemns the use of violence. To

Mexico, the two-state proposal makes sense within the context of a negotiated solution that allows each to provide for their economic well being and serves a basis for cooperation.

-- Keinan said that Mexico tends to follow the international community's lead on this issue with little real interest in the MEPP. In supporting the two-state solution, Mexico takes a low profile, and like the international community is concerned about terrorism on the one-side and civilian casualties on the other.

¶7. (C/NF) Extent to which Foreign Policy Shaped by Jewish Community and Relations by Jewish and Arab Communities

-- Palos maintained that while the GOM engages Mexico's Jewish community, it has developed and maintains its policy toward Israel based on its own foreign policy tenets and objectives, with little input from the community. He characterized the community as not as uncritically pro-Israel as he believed the U.S. community to be, but not as self-critical and neutral toward Israel as the Jewish community in Europe. Arab and Muslim immigrants here do not exercise particular influence on Mexico's policy toward Israel, he said. Most Arab immigrants are Christian Maronites from the levant and have fully integrated into Mexican society. Current Arab immigrants tend to use Mexico as a stopping point on their way to the U.S.

-- Keinan, however, characterized the Jewish community as just as pro-Israel and active and influential as the Jewish community in the U.S. Keinan said that it is likely that Mexico's foreign policy towards Israel will be the same 10-20 years from now. However, there are many positive points bilaterally that are not politically driven.

¶8. (C/NF) Extent to which Arms Sales or Transfers are Related to Other Areas like Iran, Terrorism or Mercosur

-- Palos said that Mexico's ties to Israel are mainly commercial. Given that his point of view is from SRE, he said that it was unclear the kinds of arms exchanges that have occurred in the past but they have not been extensive. Military cooperation and weaponry, such as an anti-missile system, are not important because Mexico does not feel threatened by its neighbors. Palos indicated that purchases or sales of arms from Israel in comparison to the rest of the world were very small and would continue to be insignificant in the future.

-- Keinan said that Mexico is not a major market for Israeli arms, but Israel does share technology and helps with arms maintenance. Keinen pointed out that Mexico was more interested in knowledge about policing and internal security than in defense procurement from Israel.

Summary of Israeli-Mexican Relations

¶9. (C/NF) COMMENT: Overall, the representatives of both governments believe that the relationship is strong and getting better. Israel, however, remains concerned about Mexico's voting in multilateral fora. Both our SRE and Israeli Embassy interlocutors agree that Mexico should export more of its products to Israel as part of the FTA that the two countries enjoy. At the same time, both parties remain aware of the possibility that the recently signed free trade agreement between Israel and Mercosur could affect trade levels as the Mercosur countries provide an alternative for those looking to do business in Latin America. Israel assists Mexico in a wide range of areas including agriculture and internal security. On terrorism, the two sides cooperate in training and intelligence with neither perceiving an immediate threat. There are a wide array of business, technological and cultural exchanges between the two countries, but, as Keinan said, much of it is superficial and does not approach the level registered by the U.S.-Israel or U.S.-Mexico relationships. END COMMENT

Visit Mexico City's Classified Web Site at
<http://www.state.sgov.p/wha/mexicocity> and the North American
Partnership Blog at <http://www.intelink.gov/communities/state/nap/>
GARZA